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NOVARTIS VACCINES AND
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Chiron Corporation), HOWARD H. PIEN,
JOHN A. LAMBERT, and DAVID V. SMITH

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

RICHARD GREGORY, On Behalf of Himself)	Case No. C-04-4293-VRW
and All Others Similarly Situated,)	
Plaintiff,)	<u>CLASS ACTION</u>
vs.)	RESPONSE OF CHIRON DEFENDANTS
CHIRON CORPORATION, HOWARD H.)	TO COURT'S ORDER ENTERED
PIEN, JOHN A. LAMBERT and DAVID V.)	APRIL 11, 2008
SMITH,)	Judge: Chief Judge Vaughn R. Walker
Defendants.)	

1 The Chiron Defendants¹ respectfully respond to the Court's April 11, 2008 Order as follows:

2 1. Modifications of the proposed settlement. The Chiron Defendants have agreed
3 with plaintiffs that the Notice to be given to class members in connection with any potential
4 approval of the settlement should disclose the number of class shares which, if such shares
5 validly opt out, would trigger an option on defendants' part to withdraw from the settlement.
6 The number is 1.4 million.

7 The defendants understand from discussions with plaintiffs' counsel that, with respect to
8 matters that are specific to plaintiffs, plaintiffs' counsel will advise the Court of other
9 modifications to the application for settlement approval previously submitted to the Court.

10 2. Comments on the Court's proposal for a website and class member comment
11 opportunity. The Chiron Defendants have no objection to the Court's suggestion that a website
12 be created and that class members be given an opportunity to comment on the proposed
13 settlement. The Court's order raises certain issues concerning the cost of giving short-form
14 notice; cost of maintaining the website; and verification that comments are submitted by class
15 members.

16 In addition, in light of the wide dissemination the Court's November 30, 2007 Order is
17 likely to have by virtue of the website, the Chiron Defendants would like the opportunity to have
18 the Court consider a brief factual submission relating to the issue, raised in the November 30,
19 2007 Order, of Skadden Arps' representation of certain individuals. The submission is attached
20 hereto as Exhibit A, and counsel is, of course, available to the Court to respond to any issues the
21 submission raises.

22 3. Opportunity for a conference prior to mailing of any notice to class members.
23 The Chiron Defendants respectfully request that the Court convene a conference to discuss the
24
25

26 ¹ The Chiron Defendants are Novartis Vaccines and Diagnostics, Inc. (formerly known as
27 Chiron Corporation) , Howard H. Pien, John A. Lambert, and David V. Smith.
28

1 points referred to in the preceding paragraph concerning the cost, administration and logistics of
2 the proposed website. Counsel is available at the Court's convenience.

3 DATED: April 18, 2008

WACHTELL, LIPTON, ROSEN & KATZ

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11 DATED: April 18, 2008

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